



Waste Tire Program Fast Facts

Solid Waste Management Program fact sheet

11/2003

An environment free of waste tires is important to the public health of all Missouri citizens. The following are a few facts about the waste tires in Missouri.

- The Waste Tire fee was established in 1990 to address illegal waste tire dumps across Missouri.
- The department's Waste Tire program is funded by a 50-cent-per-tire fee paid when purchasing new tires.
- Five million waste tires are generated and properly managed in Missouri each year due to the department's inspection and enforcement activities.
- With the waste tire fund the department has collected and properly disposed of or recycled more than 12 million waste tires from illegal dumps, normally at a rate of 1.5 to 2 million waste tires per year.
- The waste tire fund also reimburses nonprofit organizations for cleaning up waste tires.
- With the waste tire fund the department has awarded 259 grants to communities, totaling \$1.3 million, for recycled rubber playground surfaces.
- The department estimates 2.9 million waste tires remain in known illegal dumps.
- The department also estimates at least one million waste tires yet to be discovered.
- When waste tires are not disposed or recycled properly they pose serious threats to human health and the environment.
- Water in waste tires creates an ideal breeding habitat for mosquitoes, increasing the threat of the West Nile virus.
- Each tire can produce 10,000 to 1,000,000 mosquitoes during a breeding season.
- In 2002, Missouri Department of Health and Senior Services verified 168 cases and seven deaths from the West Nile virus in humans.
- Fires from waste tires release hazardous substances into the air, contaminating surface and groundwater sources and can burn for months or even years.
- Missourians benefit from waste tires when disposed or recycled properly by providing:
 - an alternate source of fuel;
 - raw material for new tires;
 - playground surfaces; and
 - other recycled rubber products.
- The department's waste tire program is one of the top ten in the nation.
- Recognized by the Council of State Governments for its cooperative cleanup efforts with the Missouri Department of Corrections and the University of Missouri-Columbia.

PUB002122



- The Waste Tire Fee was not extended during the regular 2003 legislative session.
- The Waste Tire Fee will expire Jan. 1, 2004 unless extended in the upcoming legislative session.
- When similar fees expired in other states dumping increased.

For more information

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Solid Waste Management Program
P.O. Box 176
Jefferson City, MO 65102-0176
1-800-361-4827 or (573) 751-5401 office
(573) 526-3902 fax
www.dnr.mo.gov/alpd/swmp

“20,000 Strategy” Facts

In the past six months, the Missouri Department of Natural Resources located more than 300,000 waste tires dumped in 93 previously unknown dumpsites in Missouri.

Cleaning up illegal tire sites is a top priority for the Department of Natural Resources. Waste tire piles are breeding sites for mosquitoes that may carry West Nile Virus. Seven Missouri residents have died of the virus. Approximately 168 state residents are known to have contracted the disease.

Through a series of news releases and public announcements, the department offered to pay up to 90 percent of the cost of removal to property owners who have tire piles containing 500 to 20,000 tires.

The department asked for calls from citizens in its “20,000 Waste Tire Strategy.” Between Nov. 1, 2002, and April 30, 2003, more than 500 calls allowed the Department of Natural Resources’ Waste Tire Unit to enlist the cooperation of private property owners interested in cleaning up waste tires.

Two hundred of these calls came from property owners who had less than 500 tires, or from local governments who wanted to conduct regional tire cleanups or to assist non-profit groups in obtaining reimbursement for small site tire cleanups.

More than 100 calls came from property owners who reported piles of 500 to 20,000 tires. Seventeen of these were known sites. Ninety-three new dumpsites containing a total of 300,000 tires were discovered. Fifty calls were from citizens who reported tire dumps on someone else’s property. This success wouldn’t have been possible without the participation of many, many communities and private citizens helping to ensure that we all will enjoy a healthier, safer summer.”

It is estimated that about 3 million more waste tires remain scattered across the state in small, inaccessible sites. Since the early 1990s, more than 11 million waste tires have been removed from illegal dumps throughout the state for recycling or proper disposal. This effort has been funded by a 50-cent per tire fee collected as consumers buy new tires. A bill to renew the fee was not passed during the regular legislative session that ended May 16. **This fee will expire on Jan. 1, 2004.**

For more information on tire-site cleanups, or the department’s non-profit cost reimbursement program, or for advice on how to properly dispose of waste tires, contact members of the department’s Waste Tire Unit at (573) 751-5401 or call the department’s toll-free number, 1-800-361-4827.

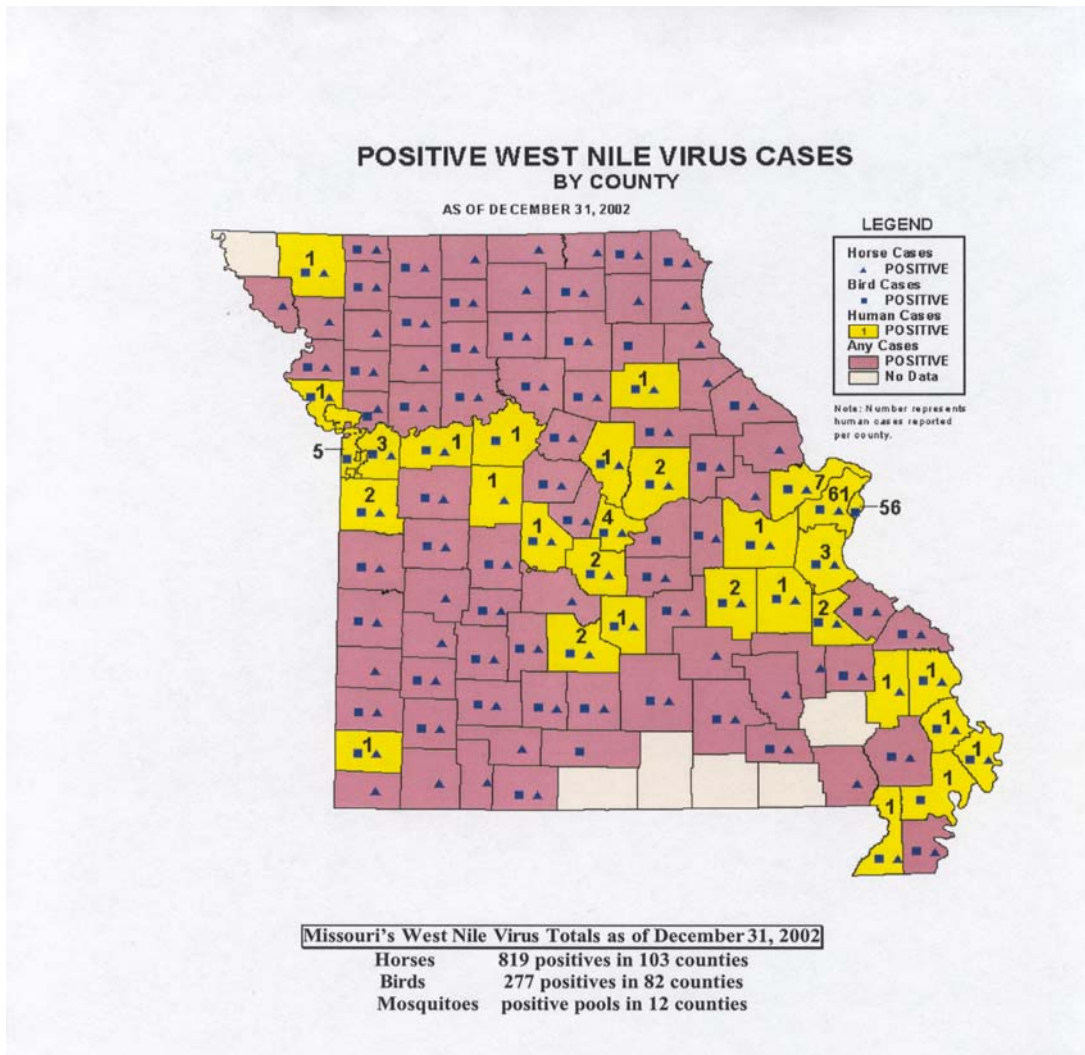
Tires In Missouri's Fields, Roadsides and Communities

The waste tire fee was established in 1990 at 50 cents per tire, and has not been changed for 12 years. Consequently, the 50 cents per tire fee has a buying power of approximately 37 cents in “2001 dollars,” and is estimated to be a maximum of 36 cents by the time the current tire fee expires in 2004. The department has successfully managed this constant reduction in buying power by improved management efficiency, and massive cleanup progress in reducing the number and size of the waste tire dumps. Nonetheless, significant challenges remain to rid Missouri of waste tire dumps and to establish a sustainable life cycle management system for waste tires. Moreover, new tires dumps are being created every day, despite significant efforts made by the department. Without fundamental reforms, the need for a waste tire cleanup program and for a fee to support that program will be needed for the foreseeable future. The department believes that, absent those reforms, a simple continuation of the existing fee will allow the cleanup program to continue its record of progress, and to reevaluate the life cycle management of tires in another five years.

The Waste Tire Advisory Council has recommended extending the waste tire fee for seven years, to January 1, 2011. The Council also recommended maintaining, and enhancing to the extent possible, the department’s permitting, inspection, enforcement, grants and illegal dump cleanup efforts.

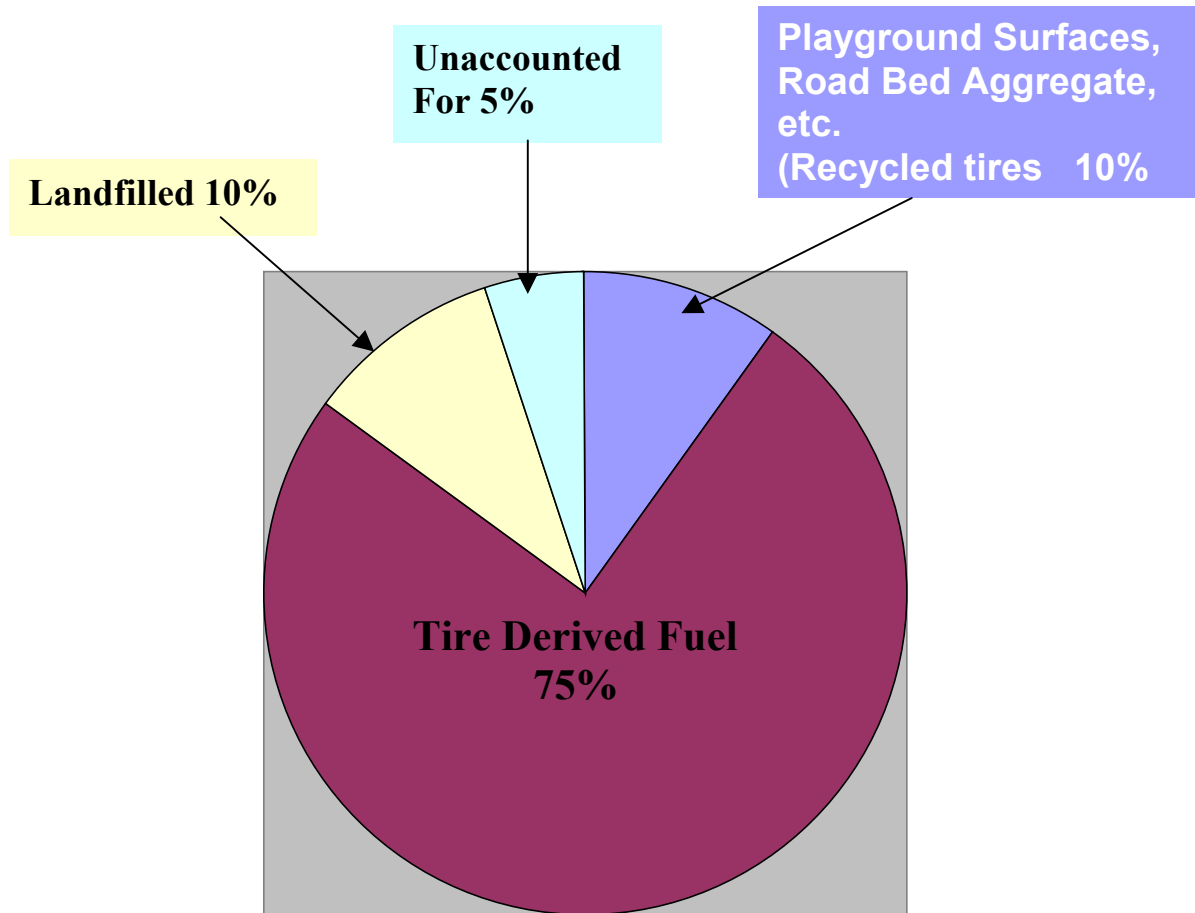
Based on Assumptions outlined in the spreadsheet on after page 10 of this document, the fund will be depleted in 2011 at about the same time the tires should be completely abated.

“Waste Tires provide ideal breeding sites for mosquitoes that carry West Nile Virus.” Dr. Howard L. Pue, Missouri State Public Health Veterinarian, MO Dept of Health and Senior Services.



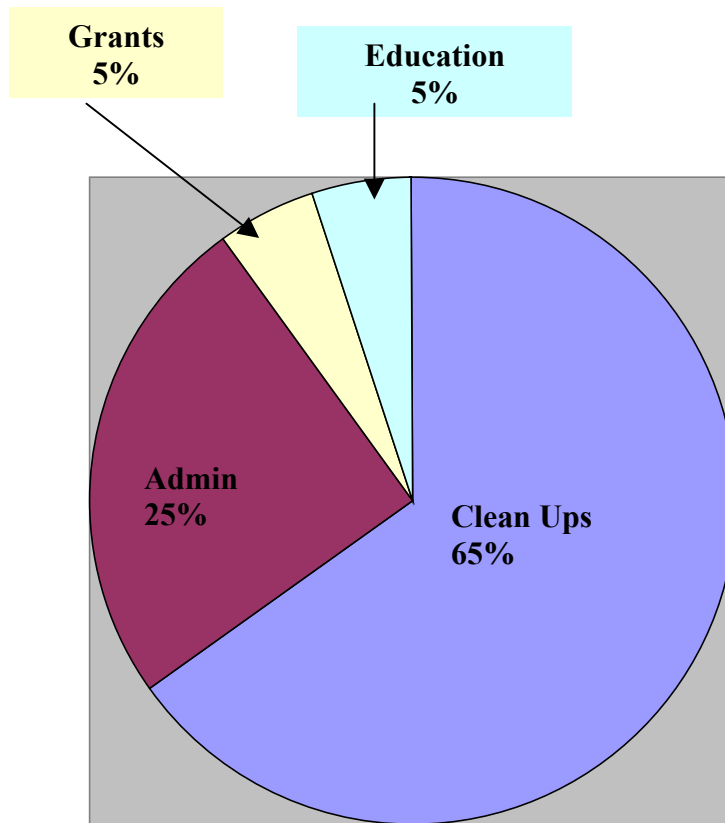
For additional information on the spread of the West Nile Virus in Missouri, please go the following website: <http://www.dhss.state.mo.us/WestNileVirus/>

Where Do Missouri's 4.5 Million Tires Go?



FY 2001 DATA

SB 60-112 Distribution of Fee



PROGRAM FUNCTIONS

CLEAN UPS (65% OF FEE)

EDUCATION (5% OF FEE)

GRANTS (5% OF FEE)

*** “ADMINISTRATION” - (25% OF FEE)**

- ENFORCEMENT
- PERMITTING
- INSPECTIONS
- END USER REGISTRATION
- TRACKING SYSTEM
- MARKET DEVELOPMENT

*** In order to provide all of these services, the 25% (\$500,000) cap must be subsidized by the Solid Waste Management Fund by approximately \$200,000 per year.**

CLEANUP DATA SINCE LAST FEE RENEWAL

January 2003

	As of 1998	As of 2002
1. Waste Tires Cleaned Up	2.3 Million	10.4 Million
2. Estimate of Remaining Tires	6.7 Million	3.2 Million PTE's
3. Average Cleanup Costs	\$1.75	\$2.00 - \$2.25/PTE
4. Estimated Cost to Clean Up Remaining Sites	\$11,725,000	\$7.2 Million (minimum)
5. Estimated Time Needed to Clean Up Remaining Sites	5 Years	7 – 10 Years
6. Number of Tires Located Since 1998	N/A	4.6 Million

1. Cleanup program conducted using grants from 1993 through 1996. Law change in 1996 changed focus of funding to tire pile abatement.
2. PTE means a passenger tire with a bead diameter of 16 inches or less. Large truck tires like those on semi tractors and trailers count as 5 passenger tire equivalents.
3. The large sites are either completed or soon will be. The smaller the site, the more costly it is to clean up. It's hard to even get contractors interested in the smaller sites.
4. As the costs rise for cleanups, this estimate will also rise. Inflation will also contribute to higher prices for cleanups.
5. It will take longer to clean up the many smaller sites. Litigation could be time consuming and getting bids will be harder to obtain.
6. Some of these tires were located as a result of re-evaluation of sites, changing estimates, as well as finding previously unknown tires.

Anticipated Fund Balance

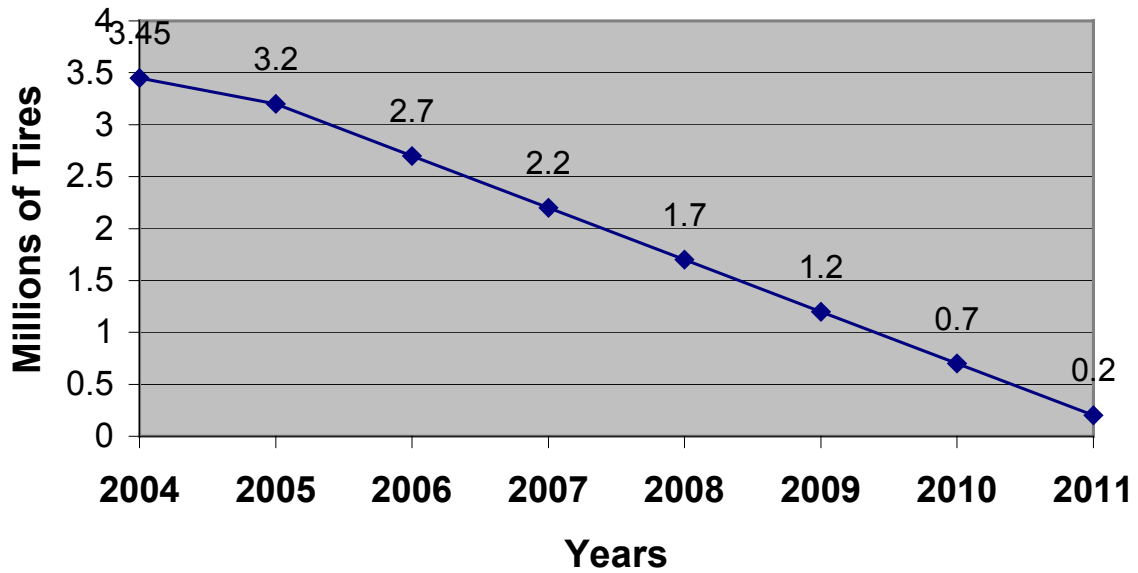
Fund Balance Beginning FY 2003	\$4,165,153	
Estimated Cleanup Revenue through 01/01/04	\$1,925,000	
Estimated Cost Recovery	\$ 165,000	
TOTAL AVAILABLE THROUGH 01/01/04	\$6,255,153	
*Planned Cleanups in FY 2003		(\$4,260,000)
Cleanup cost of 1.9 million remaining KNOWN tires @ \$2.00/PTE		(\$3,800,000)
Cleanup cost of 1.0 million UNKNOWN tires @ \$2.00/PTE		(\$2,000,000)
TOTAL CLEANUP COST		(\$10,060,000)
Cleanup Fund Balance @ 1/1/04		(-\$3,804,847)

Planned Cleanup Projects for FY 2003

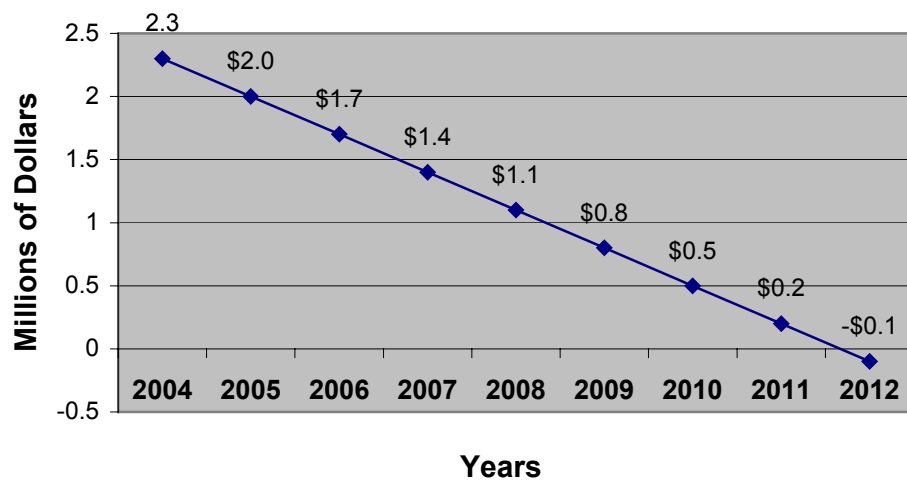
Red's Tire Sales Dump	(\$370,000)
DWM Dump	(\$1,125,000)
Hughes Dump	(\$462,500)
Bishop Dump	(\$1,500,000)
Williamson/Redd Dump	(\$200,000)
Miscellaneous Small Dumps	(\$600,000)
TOTAL	(\$4,260,000)

*Typically, we clean up between 1.5 and 2.5 million pte per year.

Tires In Missouri's Fields , Roadsides and Communities



Waste Tire Fund Balance*



* See Assumptions on Attached Spreadsheet

Waste Tire Fund Personnel Financial Situation

The current statutory distribution cap on the administration costs of the waste tire fund does not provide the funding required for a sufficient number of FTE to conduct waste tire work activities. Waste tire activities are subsidized annually by the Solid Waste Management Fund (with its own cap on administration expenses) in order to provide the actual services, required by law, provided by the department.

<u>¹Current Administration Costs/Approps (FY03 & FY04 Approps)</u>		<u>Current Staffing for Waste Tire Activities</u>
Personal Services	\$321,738	Total FTE Budgeted to Waste Tire Fund – 9.78
Fringe Benefits	\$97,487	4.96 Field Staff (ES I/II positions)
Expense & Equipment	\$97,206	3.78 Central Office Staff
Rents/Leases	\$27,206	Positions vary – all work 100% on waste tire activities
DNR Cost Allocation (Indirect)	\$79,714	1.04 Education (Env Education Specialist II)
Cost of Central State Services	\$24,471	
Education	\$(56,037)	
Total Administration Costs	\$591,785	
Administration Available From Waste Tire Fund	\$500,000	8.74 FTE considered to be Waste Tire Administration

<u>¹Required Appropriations/Allocations</u>		<u>Required Staffing for Waste Tire Activities</u>
Personal Services ²	\$399,775	Total FTE Budgeted to Waste Tire Fund – 12
Fringe Benefits	\$121,132	6 Field Staff (ES I/II positions)
Expense & Equipment	\$97,206	5 Central Office Staff – all 100% waste tire activities (Planner III, Planner II, 2-ES III, Office Support Assistant)
Rents/Leases	\$27,206	1 Education (Env Education Specialist II)
DNR Cost Allocation (Indirect)	\$175,527	
Cost of Central State Services	\$24,471	
Education	\$(56,037)	
Total Administration Costs	\$789,280	11 FTE considered to be Waste Tire Administration
Admin Costs Available Under Current statutory distribution	<u>\$500,000</u>	To enable use of waste tire fund to fully fund all FTE and their related activities/expenses would require:
Shortfall³	\$289,280	1. Statutory redistribution of waste tire revenues; or 2. Redefine Administration Expenses

¹Updated to reflect current appropriation levels.

²Used current salaries of employees performing waste tire work

³**The Solid Waste Management Fund currently subsidizes waste tire activities with \$289,280 annually.**

Waste Tire Advisory Council Recommendations

Statutory Recommendations:

- Increase funding flexibility in upcoming legislation.
- The existing statute contains a sunset of 1-1-04 on the waste tire fee. The Waste Tire Advisory Council (WTAC) reached consensus that the existing fee should be extended by seven to ten years.
- The WTAC recommends that legislation provide the department more flexibility with the funding by changing the allocation percentages stated in the existing statute.
- The WTAC recommends that all waste tire work be paid for with funding from the Scrap Tire Subaccount. Even after reducing waste tire staff by one FTE in 1997, the department currently subsidizes waste tire work with funding from the SWMF.

General Recommendations:

- Enhance established controls for Permitting, Enforcement, Inspections, etc. Enforcement is considered the most important aspect of existing controls.
- Address the waste tires that are not accounted for through the existing infrastructure. (About five percent of the waste tires generated can't be accounted for via the system in place.)
- Increase collection center inspections. (Currently, the program is able to inspect only about 20 percent of the existing retailers annually.)
- Enhance tracking system. (The system for tracking waste tires "from cradle to grave" is cumbersome and time intensive. The Waste Tire Program is automating the system.)
- Augment market development via the Waste Tire Grant Program. (The current statute limits funding for grants to 5 percent of the revenues collected, currently \$85,000 - \$100,00 per year. This limitation virtually eliminates meaningful market development.)
- Improve coordination with MoDOT, MDOC, DSP, EIERA and industry to introduce more waste tire-derived materials in their projects.
- Promote the use of rubberized asphalt with state and local agencies and paving contractors.
- Support the use of waste tires in civil engineering applications. Promote projects using waste tire material in highway construction such as lightweight fill and drainage. Promote landfill projects using waste tire material as a liner protection layer, in leachate and methane gas collection systems, and as a drainage layer under final cover.
- Sustain the appropriate use of tire-derived fuel, the largest end use-market of waste tire material.
- Advance the markets for crumb rubber. Promote the use of crumb rubber as a raw material in the manufacture of new products.
- Expand education efforts.
- Assist local governments with waste tire control efforts and illegal dump cleanups.